

AMENDED IN ASSEMBLY JUNE 23, 2011

AMENDED IN ASSEMBLY JUNE 9, 2011

AMENDED IN SENATE MAY 10, 2011

AMENDED IN SENATE APRIL 7, 2011

**SENATE BILL**

**No. 446**

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**Introduced by Senator Dutton**  
**(Principal coauthor: Senator Negrete McLeod)**  
**(Coauthor: Senator Huff)**

(Coauthors: Assembly Members Carter, Donnelly, Hagman, Jeffries,  
Knight, Morrell, Nestande, and Torres)

February 16, 2011

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An act to add Division 17.5 (commencing with Section 175000) to the Public Utilities Code, relating to airports.

LEGISLATIVE COUNSEL'S DIGEST

SB 446, as amended, Dutton. Ontario International Airport.

Existing law provides for creation of airport districts. Existing law provides for transfer of the San Diego International Airport from the San Diego Unified Port District to the San Diego County Regional Airport Authority.

This bill would establish the Ontario International Airport Authority as a local entity of regional government. The bill would establish the membership of the board of directors of the authority and set forth the powers of the authority. The bill would authorize the authority to enter into an agreement with the City of Los Angeles to facilitate the sale of, or the transfer of management and operational control of, the Ontario International Airport to the authority. The bill would require the authority, in cooperation with the City of Los Angeles and the City of

Ontario, to develop a transition plan to facilitate the sale of, or the transfer of management and operational control of, the Ontario International Airport to the authority. The bill would also require the authority, the City of Los Angeles, the City of Ontario, the County of San Bernardino, other local and regional agencies, and the Department of Transportation to cooperate to develop effective surface transportation access to the Ontario International Airport.

To the extent these provisions would impose additional duties on entities of local government, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Division 17.5 (commencing with Section 175000)  
2 is added to the Public Utilities Code, to read:

3  
4 DIVISION 17.5. ONTARIO INTERNATIONAL AIRPORT  
5 AUTHORITY  
6

7 175000. This division shall be known and may be cited as the  
8 Ontario International Airport Authority Act.

9 175001. The Legislature finds and declares all of the following:

10 (a) Airports help to link local, regional, statewide, national, and  
11 global economic activities. Airports are also essential features of  
12 comprehensive transportation systems that include streets and  
13 highways, rail transit, transit over water, and mass transit.

14 (b) It is essential to the public health, safety, and welfare that  
15 local and regional government officials jointly plan, develop, and  
16 operate the Ontario International Airport so as to promote economic  
17 development, protect environmental quality, and enhance social  
18 equity.

1 (c) The significant local and regional consequences of airport  
2 planning, development, and operations require the creation of a  
3 regional airport authority.

4 175002. (a) There is hereby established the Ontario  
5 International Airport Authority, as a local governmental entity of  
6 regional government.

7 (b) The area of jurisdiction of the Ontario International Airport  
8 is the area described in the “Agreement between the City of Los  
9 Angeles and the City of Ontario for the Acquisition of the Ontario  
10 International Airport by the City of Los Angeles dated June 19,  
11 1985.”

12 175003. (a) The Ontario International Airport Authority shall  
13 be governed by a board of seven directors, appointed as follows:

14 ~~(1) The City Council of the City of Ontario shall appoint four~~  
15 ~~directors, two of whom shall be elected officials of the City of~~  
16 ~~Ontario. The remaining two directors shall be representatives of~~  
17 ~~the primary air service market served by Ontario International~~  
18 ~~Airport and need not be persons residing in the City of Ontario or~~  
19 ~~the County of San Bernardino.~~

20 ~~(2) The Board of Supervisors of the County of San Bernardino~~  
21 ~~shall appoint three directors, one of whom shall be an elected~~  
22 ~~official of the County of San Bernardino representing a district in~~  
23 ~~which the Ontario International Airport is located. The remaining~~  
24 ~~two directors shall be representatives of the primary air service~~  
25 ~~market served by Ontario International Airport and need not be~~  
26 ~~persons residing in the City of Ontario or the County of San~~  
27 ~~Bernardino.~~

28 *(1) The City Council of the City of Ontario shall appoint two*  
29 *directors who shall be elected officials of the City of Ontario.*

30 *(2) The County of San Bernardino city selection committee shall*  
31 *appoint two directors who shall be elected officials from different*  
32 *cities within the county, other than the City of Ontario.*

33 *(3) The Board of Supervisors of the County of San Bernardino*  
34 *shall appoint three directors, one of whom shall be an elected*  
35 *official of the County of San Bernardino representing a district in*  
36 *which the Ontario International Airport is located. The remaining*  
37 *two directors shall be representatives with experience in aviation*  
38 *or airport management within the region.*

39 (b) The term of office of a member of the board of directors  
40 appointed pursuant to subdivision (a) is three years or until his or

1 her successor qualifies and takes office, whichever date occurs  
2 last; provided, however, that the initial term of one of the initial  
3 directors appointed by the City Council of the City of Ontario and  
4 one of the initial directors appointed by the Board of Supervisors  
5 of the County of San Bernardino shall each be one year, and the  
6 initial term of another of the initial directors appointed by the City  
7 Council of the City of Ontario and another of the initial directors  
8 appointed by the Board of Supervisors of the County of San  
9 Bernardino shall each be two years.

10 (c) If a member of the board of directors is appointed to be a  
11 member as a result of holding another public office, as indicated  
12 by resolution adopted at the time of appointment, and that person  
13 no longer holds that other public office, then that person shall no  
14 longer serve on the board of directors and a vacancy shall exist.

15 (d) A director shall hold membership on the board during the  
16 term for which he or she was appointed and until his or her  
17 successor has been appointed and qualified; provided, however,  
18 that a director may resign voluntarily or may be removed by and  
19 at the pleasure of the authority that appointed him or her.

20 (e) In case of a vacancy in membership on the board, the  
21 vacancy shall be promptly filled by the authority that appointed  
22 the vacating member. An appointment to fill a vacancy during an  
23 unexpired term shall be for the period of the unexpired term.

24 175004. (a) At the first meeting of the board of directors, and  
25 at the first meeting of the board on or after the first Monday in  
26 July of each even-numbered year thereafter, the board of directors  
27 shall meet and elect its officers.

28 (b) The officers of the board of directors are a chair, a vice chair,  
29 and those additional officers created by the board of directors  
30 pursuant to subdivision (c). The chair shall preside over meetings  
31 of the board of directors, and the vice chair shall serve during the  
32 chair's absence or inability to serve.

33 (c) The board of directors may create additional offices and  
34 elect members to those offices, provided that no member of the  
35 board of directors shall hold more than one office.

36 (d) The board shall appoint a general manager, a chief counsel,  
37 and a chief financial officer. The general manager may enter into  
38 contracts on behalf of the board, consistent with policies adopted  
39 by the board.

1 175005. (a) Meetings of the board of directors are subject to  
2 the provisions of the Ralph M. Brown Act (Chapter 9 (commencing  
3 with Section 54950) of Part 1 of Division 2 of Title 5 of the  
4 Government Code).

5 (b) A majority of the total voting membership of the board of  
6 directors shall constitute a quorum for the transaction of business.  
7 In the absence of a quorum at any meeting of the board, a majority  
8 of the members present may adjourn the meeting from time to time  
9 without further notice, but no other business may be transacted.

10 (c) Any action taken by the board at a meeting shall require the  
11 affirmative vote of a majority of the members of the board.

12 175006. (a) The authority may enter into an agreement with  
13 the City of Los Angeles to facilitate the acquisition of the Ontario  
14 International Airport by the authority, or the transfer of  
15 management and operational control of the Ontario International  
16 Airport from the City of Los Angeles to the authority, upon the  
17 approval of the Federal Aviation Administration and the federal  
18 Transportation Security Administration. Upon the agreement of  
19 the City of Los Angeles, the authority, in cooperation with the City  
20 of Los Angeles and the City of Ontario, shall develop a transition  
21 plan to facilitate either the sale of, or the transfer of management  
22 and operational control of, the Ontario International Airport to the  
23 authority, including appropriate amendments to the existing  
24 contract between the City of Los Angeles and the City of Ontario  
25 for the joint exercise of powers in relation to the Ontario  
26 International Airport.

27 (b) The authority, the City of Ontario, the County of San  
28 Bernardino, the City of Los Angeles, other local and regional  
29 agencies, and the Department of Transportation shall cooperate to  
30 develop effective surface transportation access to the Ontario  
31 International Airport.

32 175007. (a) Upon the completion of the transfer pursuant to  
33 Section 175006, the authority shall assume all revenue streams  
34 from the operation of the Ontario International Airport to fund its  
35 activities, operations, and investments consistent with its purposes.

36 (b) To the extent practicable, the authority shall endeavor to  
37 maximize the revenues generated from enterprises located on the  
38 property of the authority.

1 (c) The authority may receive state and federal grants for  
2 purposes of planning, constructing, and operating an airport and  
3 for providing ground access to airports under its control.

4 (d) The transfer of the Ontario International Airport to the  
5 authority shall not in any way relieve the authority from all  
6 liabilities and obligations that are secured by revenues generated  
7 from airport activities.

8 175008. (a) The authority may sue and be sued in all actions  
9 and proceedings, in all courts and tribunals of competent  
10 jurisdiction.

11 (b) All claims for money or damages against the authority shall  
12 be governed by Part 3 (commencing with Section 900) and Part 4  
13 (commencing with Section 940) of Division 3.6 of Title 1 of the  
14 Government Code.

15 175009. The authority may take by grant, purchase, devise, or  
16 lease, or otherwise acquire, hold, enjoy, lease, and dispose of, real  
17 and personal property within its area of jurisdiction in order to  
18 further its purposes. The authority may acquire property outside  
19 of its area of jurisdiction for the purpose of installing equipment  
20 related to the safe operation of the airport and the aircraft using  
21 the airport, environmental mitigation, or environmental  
22 remediation.

23 175010. The authority may contract with any department or  
24 agency of the United States, with any state or local governmental  
25 agency, or with any person upon those terms and conditions that  
26 the authority finds are in its best interests.

27 175011. The authority may issue bonds, from time to time,  
28 payable from revenue of any facility or enterprise operated,  
29 acquired, or constructed by the authority, for any of the purposes  
30 authorized by this division in accordance with the Revenue Bond  
31 Law of 1941 (Chapter 6 (commencing with Section 54300) of Part  
32 1 of Division 2 of Title 5 of the Government Code), excluding  
33 Article 3 (commencing with Section 54380) of Chapter 6 of Part  
34 1 of Division 2 of Title 5 of the Government Code.

35 175012. The authority may levy special benefit assessments  
36 consistent with the requirements of Article XIID of the California  
37 Constitution to finance capital improvements.

38 175013. The authority may borrow money in accordance with  
39 Article 7 (commencing with Section 53820) of, Article 7.6  
40 (commencing with Section 53850) of, or Article 7.7 (commencing

1 with Section 53859) of, Chapter 4 of Part 1 of Division 2 of Title  
2 5 of the Government Code.

3 175014. The authority may bring an action to determine the  
4 validity of any of its bonds, equipment trust certificates, warrants,  
5 notes, or other evidences of indebtedness or any of its revenues,  
6 rates, or charges pursuant to Chapter 9 (commencing with Section  
7 860) of Title 10 of Part 2 of the Code of Civil Procedure.

8 SEC. 2. If the Commission on State Mandates determines that  
9 this act contains costs mandated by the state, reimbursement to  
10 local agencies and school districts for those costs shall be made  
11 pursuant to Part 7 (commencing with Section 17500) of Division  
12 4 of Title 2 of the Government Code.